

STATE BOARD OF ACCOUNTS
302 West Washington Street
Room E418
INDIANAPOLIS, INDIANA 46204-2765

REVIEW REPORT
OF
INDIANA STATE LIBRARY
STATE OF INDIANA
May 1, 2002 to February 28, 2005



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AGENCY OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Executive Director	Mr. Charles Ray Ewick	01-01-02 to 12-31-02
	Mr. Barney McEwen (Interim)	01-01-03 to 03-31-03
	Ms. Barbara Maxwell	04-01-03 to 06-30-05



STATE OF INDIANA

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STATE BOARD OF ACCOUNTS
302 WEST WASHINGTON STREET
ROOM E418
INDIANAPOLIS, INDIANA 46204-2765

Telephone: (317) 232-2513
Fax: (317) 232-4711
Web Site: www.in.gov/sboa

INDEPENDENT ACCOUNTANT'S REPORT

TO: THE OFFICIALS OF INDIANA STATE LIBRARY

We have reviewed the receipts, disbursements, and assets of the Indiana State Library for the period of May 1, 2002, to February 28, 2005. Indiana State Library's management is responsible for the receipts, disbursements, and assets.

Our review was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. A review is substantially less in scope than an examination, the objective of which is the expression of an opinion on the receipts, disbursements, and assets. Accordingly, we do not express such an opinion.

Financial transactions of this office are included in the scope of our audits of the State of Indiana as reflected in the Indiana Comprehensive Annual Financial Reports.

Based on our review, nothing came to our attention that caused us to believe that the receipts, disbursements, and assets of the Indiana State Library are not in all material respects in conformity with the criteria set forth in the Accounting and Uniform Compliance Guidelines Manual for State Agencies, and applicable laws and regulations except as stated in the review comments.

STATE BOARD OF ACCOUNTS

April 6, 2005

INDIANA STATE LIBRARY
REVIEW RESULTS AND COMMENTS
FEBRUARY 28, 2005

OUTSTANDING CHECKS

The Indiana State Library's operating SDO account had seven checks which have been outstanding for over two years as of December 31, 2004.

In accordance with IC 4-10-10 these checks are declared cancelled. The amount of these checks should be deposited as miscellaneous revenue into the fund from which they came. The checks should then be removed from the outstanding check list.

FIXED ASSET

The fixed asset inventory of the Indiana State Library is not complete as to retirements or the location of the fixed assets and assets have not been consistently tagged upon receipt. Additionally, an annual physical inventory of assets owned has not been conducted.

Each state agency is required to report to the Auditor of State all additions and retirements of assets with a cost of \$20,000 or more. Assets costing more than \$500 but less than \$20,000 must be maintained on an asset control system at the agency. (Accounting and Uniform Compliance Guidelines Manual for State Agencies, Chapter 10)

Once a year, after receiving a Fixed Asset Master Listing, a physical inventory is to be taken and compared to the Master Listing and the agency's listing of assets from its asset control system. (Accounting and Uniform Compliance Guidelines Manual for State Agencies, Chapter 10)

SDO ADVANCE

The Special Disbursing Officer Fund (SDO) operating advance for the Indiana State Library was not turned over, or reimbursed completely, for several months.

If a SDO advance is not used within one or two months then the SDO advance is too large and should be reduced. (Accounting and Uniform Compliance Guidelines Manual for State Agencies, Chapter 7)

LACK OF DOCUMENTATION

Certain refunds of expenditures selected did not have supporting documentation attached to the report of collection.

Supporting documentation such as receipts, canceled checks, invoices, bills, contracts, etc., must be made available for audit to provide supporting information for the validity and accountability of monies received or disbursed. (Accounting and uniform Compliance Guidelines Manual for State Agencies, Chapter 1)

INDIANA STATE LIBRARY
EXIT CONFERENCE

The contents of this report were discussed on May 25, 2005, with Ms. Barbara Maxwell, Executive Director. The official concurred with our findings.

The contents of this report were mailed on May 25, 2005, to Mr. Charles Ray Ewick, former Executive Director; and also to Mr. Barney McEwen, former Interim Executive Director.